



NORTH CAROLINA GENERAL ASSEMBLY

Session 2019

Legislative Fiscal Note

Short Title: Relocation of Water/Sewer Line Costs.
Bill Number: Senate Bill 68 (First Edition)
Sponsor(s): Senator Brown

SUMMARY TABLE

FISCAL IMPACT OF S.B. 68, 1st Edition

	<u>FY 2019-20</u>	<u>FY 2020-21</u>	<u>FY 2021-22</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>
State Impact					
Highway Trust					
Fund Revenue	-	-	-	-	-
Less Expenditures	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>
Highway Trust					
Fund Impact	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
Special Fund Revenues	0	0	0	0	0
Less Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Special Fund Impact	0	0	0	0	0
NET STATE IMPACT	(\$2,000,000)	(\$2,000,000)	(\$2,000,000)	(\$2,000,000)	(\$2,000,000)

Local Impact/Certain Municipalities***

Local Revenue	-	-	-	-	-
Less Local Expenditures	<u>(2,000,000)</u>	<u>(2,000,000)</u>	<u>(2,000,000)</u>	<u>(2,000,000)</u>	<u>(2,000,000)</u>
NET LOCAL IMPACT	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000

***Certain Municipalities with populations between 50,000 and 100,000 (see Fiscal Analysis Section)

TECHNICAL CONSIDERATIONS: N/A

FISCAL IMPACT SUMMARY

SB 68 will cost North Carolina Department of Transportation (NCDOT) approximately \$2M annually. SB 68 reduces the amount of financial responsibility for certain municipalities to relocate water/sewer lines resulting from construction of a State transportation improvement project. Under the current law municipalities with populations with 50,000-100,000 are required

to pay 100% of the cost to relocate these utility lines. SB 68 would require NCDOT to participate in 50% of the relocation costs for these municipalities resulting in approximately \$2M annually.

FISCAL ANALYSIS

The additional cost to NCDOT relates to new cost-sharing with certain municipalities which had previously been responsible for 100% of the cost for relocation of water and sewer lines. The chart below shows the breakout of municipalities by population and the current and proposed financial responsibility broken out by municipalities and NCDOT and the one proposed change related to those municipalities between populations of 50,000 and 100,000. The estimated additional costs to NCDOT would be approximately \$2M annually, based upon four complete years of data and one partial year.

<u>Municipalities</u>	<u>Current Law</u>	<u>SB 68</u>	<u>Additional NCDOT Cost</u>
<10,000 Population	\$0 paid by Municipalities	No Change	-
Greater Than 10,000 - Less Than 25,000 Population	25% of cost paid by Municipality	No Change	-
25,000 - Less Than 50,000 Population	50% of cost paid by Municipality	No Change	-
50,000 - Less Than 100,000 Population	100% of Cost paid by Municipalities	DOT would cost-share at 50%	\$2M/year
100,000 or Greater in Population	100% of Cost paid by Municipalities	No Change	-
Projected Total Cost of SB 68			\$2M/year

TECHNICAL CONSIDERATIONS

N/A.

DATA SOURCES

NORTH CAROLINA DEPARTMENT OF TRANSPORTATION

LEGISLATIVE FISCAL NOTE – PURPOSE AND LIMITATIONS

This document is an official fiscal analysis prepared pursuant to Chapter 120 of the General Statutes and rules adopted by the Senate and House of Representatives. The estimates in this analysis are based on the data, assumptions, and methodology described in the Fiscal Analysis section of this document. This document only addresses sections of the bill that have projected direct fiscal impacts on State or local governments and does not address sections that have no projected fiscal impacts.

CONTACT INFORMATION

Questions on this analysis should be directed to the Fiscal Research Division at (919) 733-4910.

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